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Matson Increases Fuel Surcharge by Two Percentage Points

OAKLAND, CA -- As a result of recent increases in bunker fuel prices, Matson Navigation Company announced today that it is raising its fuel surcharge in its Hawaii and Guam/CNMI services by two percentage points, from 17.5 to 19.5 percent, effective March 11, 2007.

"While Matson experienced steady declines in fuel prices in late 2006 and early 2007, allowing us to make three consecutive downward adjustments, current trends have increased our fuel costs by over 15 percent," said Dave Hoppes, senior vice president, ocean services. "Fuel consumption is an unavoidable and significant component of our operating costs, with every dollar increase per barrel adding over two million dollars in annual expenses. We will continue to monitor fuel costs and adjust the fuel surcharge accordingly."

Matson provides ocean transportation, intermodal and logistics services. Matson is a wholly owned subsidiary of Alexander & Baldwin, Inc. of Honolulu (NASDAQ: ALEX).

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